

KEYSPAN ENERGY DELIVERY NEW ENGLAND
D.T.E. 05-68

FIRST SET OF INFORMATION REQUESTS OF THE
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY TO
KEYSPAN ENERGY DELIVERY NEW ENGLAND

DTE 1-15

Date: February 1, 2006

Respondent: Elizabeth Arangio

Q. Refer to page 72 of the Company's filing.

- (a) What percentage of KeySpan's overall daily city-gate delivered supply does the 704,445 MMBtus/day associated with the Asset Management Contract with Merrill Lynch Commodities account for?
- (b) Does KeySpan intend to have another asset management contract in place after the March 31, 2006 expiration of the Merrill Lynch agreement? If so, please comment on the status of KeySpan's efforts to secure a new asset manager.

A. (a) The correct number on page 72 of the filing should be 669,445 MMBtu. The 704,445 MMBtu represents the total city gate contractual MDQ that the Company is entitled to. The Company does not release its Algonquin transportation contract of 35,000 MMBtu/day that transports volumes from the KLNG facility in Providence, Rhode Island to the Company's citygates. The 669,445 MMBtu accounts for 95% of KeySpan's overall daily city gate delivered supply.

(b) On January 30, 2006, the Company filed a Request for Approval of Natural Gas Optimization Service Contract with Merrill Lynch Commodities, Inc. Subject to Department approval the agreement will become effective on April 1, 2006.